### **DHRM BULLETIN**

Current Date: July 3, 2001 Reference: DHRM R477-8-7(7)

Effective Date: July 3, 2001

# PROCEDURAL GUIDELINES WORKERS COMPENSATION RULE, R477-8-7 (7)

- 1. The Workers Compensation rule allows employees the option to use leave benefits they have earned and/or accrued to supplement the workers compensation benefit. All leave types (sick, converted sick, annual, excess and comp) can be used at the employee's discretion. Any returns must be credited to the same leave account from which they were taken (see #3). The use of accrued leave benefits and the workers compensation benefit will not exceed the employee's gross salary.
- 2. Accrued leave benefits may be used from the initial date of injury until the workers compensation benefit is terminated or until the employee has exhausted leave benefits.
- 3. Once the employee begins to receive a workers compensation check, the employee shall return to the state any accrued leave paid to them which exceeds their gross salary when combined with the workers compensation benefit.
- 4. Reinstatement of earned and/or accrued leave used to supplement the workers' compensation benefit shall be based on the employee's current gross salary.
- 5. The employee shall provide his/her agency with the workers compensation check or a personal check or money order. The agency will forward the check to the Department of Finance with a Workers Compensation Adjustment Form. Workers Compensation calculates salary at the rate of pay earned at the time of injury.
- 6. Reinstatement of leave is calculated at the current rate of pay. Reinstatement of leave is calculated only for State employment. If a workers compensation check includes salary for additional jobs, only the benefit for State employment is applicable for this procedure.
- 7. Employees continue to accrue sick leave and annual leave while receiving the workers compensation benefit.
- 8. Employees are eligible for prorated holiday leave while receiving workers compensation benefits if a paid holiday is observed and the employee is receiving supplemental leave pay. Holiday pay is prorated based on the percentage of supplemental pay received.
- 9. Employees continue to receive benefits that are paid by the State. These are identified on the employees check stub as State-paid benefits. Employees continue to be responsible for other

benefits that are normally deducted from their check. Arrangements to continue employee paid benefits are made by the employee through the agency representative.

<u>Employee's Responsibility</u> <u>Employer's Responsibility</u>

Health Insurance Premiums
Dental Insurance Premiums
Dental Insurance Premiums
Retirement Contributions
(if on contributory system)
Other employee-paid benefits

Health Insurance Premiums
Dental Insurance Premiums
Retirement Contributions
Basic Life Insurance
Long Term Disability
Unemployment Insurance

- 10. If the employee goes into a Leave-Without-Pay (LWOP) status, the agency shall notify the employee. They shall also give written notification to PEHP and Utah Retirement Systems to ensure proper benefits tracking and billing.
- 11. All documents related to workers compensation are to be kept by the agency in a separate locked medical file.

#### **DEFINITIONS FOR PURPOSES OF THIS PROCEDURE**:

<u>Accrued leave benefits</u>: all types of leave available to an employee; annual, sick, converted sick, excess and compensatory time. Leave is used at the employee's discretion.

<u>Gross salary</u>: gross salary is calculated by the regular work hours for the employee times the hourly rate. The calculated amount is rounded up to the next whole hour. This may slightly exceed the normal gross salary, but should not be less than the gross salary.

| APPROVAL:  | DATE:      |
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# WORKER'S COMPENSATION WORKSHEET REINSTATEMENT OF ACCRUED LEAVE BENEFITS & SUPPLEMENT ELIGIBILITY

| DATE:   |             |
|---|-------------|
| NAME:   |             |
| SOCIAL SECURITY/EMPLOYEE ID:  |             |
| CALCULATION OF LEAVE TO BE REINSTATED:  |             |
| Workers Compensation check amount.  | \$          |
| Employee's current hourly rate.   | <u> </u>    |
| Hours for reinstatement (Divide hourly rate into Workers Compensation Check. Round up to nearest quarter hour).   |             |
| Reminder – Hours must be returned to the same accounts from which they were   | taken!!!    |
| CALCULATION OF LEAVE ELIGIBLE TO SUPPLEMENT WORKERS COM   | MP BENEFIT: |
| Employee's bi-weekly gross salary.  | \$          |
| Workers Comp bi-weekly check.   | \$          |
| Difference between gross pay and Workers Comp check.  | \$          |
| Maximum hours eligible to supplement Workers' Comp check (Divide the employee's current hourly rate into the difference. Round up to nearest quarter hour). | -           |
| SUMMARY   |             |
| Bi-weekly benefit received from Workers Comp.   | \$          |
| Amount received from accrued leave benefit (multiply hours eligible to supplement by employee's current hourly rate).                                       | <u>\$</u>   |
| Total dollar benefit employee is eligible to receive during W/C disability  | \$          |
| and/or  |             |
| Max hours eligible for supplement.  |             |
| Plus hours for reinstatement  |             |
| Total hourly benefit employee is eligible to receive during W/C disability  |             |

# EXAMPLE WORKER'S COMPENSATION WORKSHEET REINSTATEMENT OF ACCRUED LEAVE BENEFITS & SUPPLEMENT ELIGIBILITY

### <u>CALCULATION OF LEAVE TO BE REINSTATED</u>:

| Workers Compensation check amount.  | <u>\$534.00</u> |  |  |
|---|-----------------|--|--|
| Employee's current hourly rate.   | \$ 10.00        |  |  |
| Hours for reinstatement (Divide hourly rate into Workers Compensation Check. Round up to nearest quarter hour).   | 53.5            |  |  |
| Reminder – Hours must be returned to the same accounts from which they were taken!!!  |                 |  |  |
| CALCULATION OF LEAVE ELIGIBLE TO SUPPLEMENT WORKERS COMP BENEFIT:   |                 |  |  |
| Employee's bi-weekly gross salary.  | \$800.00        |  |  |
| Workers Comp bi-weekly check.   |                 |  |  |
| Difference between gross pay and Workers Comp check.  | \$266.00        |  |  |
| Maximum hours eligible to supplement Workers' Comp check (Divide the employee's current hourly rate into the difference. Round up to nearest quarter hour). |                 |  |  |
| SUMMARY   |                 |  |  |
| Bi-weekly benefit received from workers comp  | \$534.00        |  |  |
| Amount received from accrued leave benefit (multiply hours eligible to supplement by employee's current hourly rate).                                       | \$267.50        |  |  |
| Total dollar benefit employee is eligible to receive during W/C disability  | \$801.50        |  |  |
| and/or  |                 |  |  |
| Max hours allowed for supplement  | <u>26.75</u>    |  |  |
| Plus hours for reinstatement  |                 |  |  |
| Total hourly benefit employee is eligible to receive during W/C disability  | <u>80.25</u>    |  |  |